

Invitational Travel Orders (ITO) and Government

The Per Diem, Travel and Transportation Allowance Committee has issued guidance that deletes the authority to use invitational travel orders (ITO) to authorize travel and transportation to government contractors or contractor employees. The revisions appear in change number 404 of the Joint Travel Regulations (JTR) and change number 150 of the Joint Federal Travel Regulations (JFTR) effective 1 June 1999. These changes direct contractors and contractor employees to the Federal Acquisition Regulations (FAR) 31.205-46 for guidance applicable to their travel. The regulation is available in the internet at the following address: <http://www.arnet.gov/far/pdf/frame.html>

Contractors and contract employees shall travel on travel costs included in their contracts. The contractor employee will file a travel voucher with his/her employer (contractor) for reimbursement. Contractors can no longer settle their travel expenses through DFAS Travel Pay or Vendor Pay. There will be no exceptions available to these changes. Contractor employees are to travel on a Contractor Letter of Identification. A sample contractor letter is enclosed in the attachment.

DFAS-IN INTERPRETATION OF PER DIEM COMMITTEE GUIDANCE:

The issue of contractors using government travel offices for settlement and traveling on invitational travel orders has been a hot topic of conversation recently. If, in order to accomplish a contract mission, travel will be involved, the contract should provide for that travel. The contractor employee should file a travel voucher with his/her employer for settlement. This CTD gets the government out of the business of settling contractor travel vouchers. The contractor recoups the cost of his employee's travel via the contract just as he does all of his other contract costs. The employee's travel is not settled, specifically, through vendor pay. The employee's travel is settled with his employer (the contractor).

Many contracts were written without travel costs included, and have the provision/understanding that contractor employees would settle their travel through a government travel office (you), and would travel on an ITO. These contracts need to be amended to include travel costs. I recommend you put a message out to all of your customers, advising them of the change, and that as of the implementation date of the CTD, you will no longer process claims from contractor employees through your travel office.

I also recommend that you tell them that contractor employees are to travel on the contractor letter of identification. It might be a good idea to provide them a copy of the CTD, or at least a copy of the sample contractor letter of ID that is a part of the CTD, for their reference.

This will be a major change, and there will be unhappy customers, not to mention some scrambling to modify contracts. Since this is a change backed by GSA, who writes the statutory regulation, it is not just an administrative determination. As such, there are no exceptions available to this change. Please advise your customers of that fact...we've already received requests for exceptions, and they have been denied.

I hope this helps clarify the change. It is definitely a change in the way we do business, and it will not necessarily be cost effective in the short run, as most contracts (and modifications to handle this change) include a charge to provide for administrative handling of the employees' travel claims. This increases the overall contract price, which can amount to a lot of money if there is much travel involved. That aspect has already been brought up, but does not change the new rules.



PER DIEM, TRAVEL AND TRANSPORTATION ALLOWANCE COMMITTEE
HOFFMAN BUILDING 1, ROOM 836
2461 EISENHOWER AVENUE, ALEXANDRIA, VA 22331-1300

PDTATAC/tmc

25 March 1999

CIVILIAN TRAVEL DETERMINATION 17-99(E)

TO: SEE DISTRIBUTION

SUBJECT: CAP Item CAP Item 17-99(E) – Invitational Travel Orders (ITOs) and Government Contractors

1. **SYNOPSIS:** The attached CAP item deletes the authority to use invitational travel orders to authorize travel and transportation for contractors and contractor employees. Effective 1 Jan 99 contractors and contractor employees can choose between the per diem rates and per diem computation rules in effect on 31 Dec 98 or the rates and rules in effect on 1 Jan 99. OUSD (A&T) memo dated 23 Dec 98 gave them that option. The option is not available under ITOs. Proposed par. C6004 directs contractors and contractor employees to the Federal Acquisition Regulations (FAR) § 31.205-46 for regulations applicable to their travel (available at <http://www.arnet.gov/far/pdf/frame.html>).

2. It is requested that these revisions appear in printed change number 150 of the JFTR and 404 of the JTR, effective 1 June 1999.

//s//

W. B. Tirrell, Sr.
Chief, Travel and Transportation Branch

Attachment:
As stated

Hard Copy Distribution:

CAP Item file
Read File

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CHAPTER 6

TRAVEL UNDER SPECIAL CIRCUMSTANCES

PART A: INVITATION TO TRAVEL

(NOTE: See par. C6004 for information concerning travel by contractor and contractor employees)

C6000 WHEN AND TO WHOM APPLICABLE

Invitational travel is the term applied to authorize travel of individuals,

- a. not employed by the Government, or
- b. employed (under 5 U.S.C. §5703) intermittently by the Government as consultants or experts and paid on a daily when-actually-employed basis, and
- c. for individuals serving without pay or at \$1 a year

when they are acting in a capacity that is directly related to, or in connection with, official DOD activities. Travel allowances authorized for these individuals are the same as those ordinarily authorized for employees on TDY, except as provided by par. C4562-C for interview travel and by item 15 of this paragraph for spouse invitational travel. Invitational travel may be authorized in cases such as when:

1. it is considered in the interest of a department to invite a college or university official or a representative of industry to visit an activity to observe the work performed or the operations of the activity;
2. an individual is requested to lecture, instruct, or give a demonstration at an activity in connection with a DOD operation or program;
3. an individual, singly or as part of a group, confers on an official DOD matter with DOD officials and thereby performs a direct service to the DOD, such as providing advice or guidance; (Invitational Travel Orders are not authorized for individuals merely to attend a meeting or conference, even if hosted by the DOD component concerned on a matter related to the component's official business (see 55 Comp. Gen. 750 (1976)));
4. attendance of an individual at an incentive award ceremony is related to an award presentation (32 Comp. Gen. 134 (1952)); (Travel and transportation at Government expense to an award presentation for a dependent or relative of an award recipient is prohibited except as authorized under par. C6002-F.);
5. an individual is an attendant for a handicapped employee or member of the Uniformed Services who is to be given an Office of Personnel Management award, a major department or agency award, or a non-Federally sponsored honor award and who would be unable to attend the award ceremony if no attendant accompanied him/her (55 Comp. Gen. 800 (1976));
6. attendance of an individual is for the purpose of serving as a sponsor or in a similar official ceremony which is directly related to DOD interests;
7. an individual has been selected as a member of the Executive Reserve under governing regulations relating to Executive Reserve training;
8. an individual is authorized preemployment interview travel under par. C6200;

9. travel is by individuals serving without compensation on Boards of Visitors as provided for in governing regulations of the separate departments consistent with statutory authority;

10. a witness is called to testify in administrative proceedings directed against a civilian employee or member of the Uniformed Services in adverse action type cases, whether on behalf of the Government or on behalf of the civilian employee or member of the Uniformed Services concerned, provided the presiding hearing officer determines the employee or member reasonably can show the testimony of the witness is substantial, material, and necessary for a proper disposition of the case and that an affidavit from the desired witness shall not adequately accomplish the same objective;

11. an individual is called to testify as a witness at a pretrial investigation conducted under Article 32, Uniform Code of Military Justice, 10 U.S.C. §832;

12. attendance as a complainant at an administrative hearing when the complaint related to the Federal employment of the complainant, the hearing is provided for by applicable Federal employment regulations, and it would be unreasonable to require the complainant to appear at his/her own expense (B-180469, February 28, 1974);

13. when an individual is an attendant for: (a) a disabled employee on official travel (56 Comp. Gen. 661 (1977)) or (b) an employee who interrupts TDY because of incapacitated illness or injury (par. C6454); and it has been determined that the employee is incapable of traveling alone;

14. a determination is made by the order-issuing official that a dependent may travel with the sponsor at Government expense to attend an unquestionably official function in which the dependent is actually to participate in an official capacity, or such travel is deemed in the national interest because of a diplomatic or public relations benefit to the United States. Such participation is ordinarily limited to spouses and is representational in nature. As such, travel is allowed on a mission noninterference basis only, and must be supported with ITOs, which ordinarily authorizes reimbursement of transportation costs only, not to include per diem-related expenses. However, the order-issuing official may authorize/approve transportation, per diem and/or other expense allowances if it is determined that the individual's travel is essential to accomplishing the mission and there is a benefit for DOD only beyond fulfilling a representational role. Code 2 civilians, 4-star general/flag officers, and certain 3-star general/flag officers serving as overseas or combined commanders (as specified in DOD 4515.13-R), may authorize/approve transportation, per diem, and/or other expense allowances for their spouses on a case-by-case basis using the criteria in Sec. Def. memorandum dated 10 June 1994 (Subject: DOD Policy on the use of Government Aircraft and Air Travel). This authority does not constitute blanket approval authority. Order-issuing officials for all other travel under this item are: (a) The Office of the Secretary of Defense Executive Secretary for SAM and OSA support for requests from OSD, the Defense Agencies, and outside the DOD; (b) The Chairman of the Joint Chiefs of Staff, or designee, for requests from the Joint Staff; (c) The Commanders of Unified and Specified Commands, or their designees, for requests from members and employees within their commands. (When joint or dual-hatted personnel are traveling on behalf of their joint commands, approval must be obtained through their joint command approval authority and not through their individual Service channels. This authority may be further delegated in writing, but may not be delegated below the Major Command Chief of Staff or equivalent level for travel requests from DOD senior officials. ***Note: Major Commands are those ordinarily commanded by 4-star generals/admirals.***); (d) The Secretaries of the Military Departments, or their designees, for requests from their staffs; (e) The Service Chiefs, or their designees, for requests from members and employees within their Services (This authority may be further delegated in writing, but may not be delegated below the Major Command Chief of Staff or equivalent level for travel requests from DOD senior officials.). An ITO issued under the authority of this item, which authorizes Government-funded transportation only (i.e., no per diem or expense allowances) for the dependent, must include the following statement: "This order authorizes the dependent to accompany the sponsor to attend an official function. It does not entitle the dependent to per diem or other expense allowances. If the dependent does not desire to bear these expenses, the dependent may choose not to travel and the order is canceled";

15. a determination is made by the Secretarial Process for personnel within that department, or by the Chairman of the Joint Chiefs of Staff or designated representative for personnel assigned to the Joint Staff and unified commands that the spouse of a civilian employee or uniformed member may travel at Government expense to attend a service endorsed training course or briefing and subsequent voluntary service incident to such training or briefing (71 Comp. Gen. 6 (1991));

16. travel is by an individual who serves as an organ donor for a member of the Uniformed Services, where the subject donation is authorized under Service regulations.

C6001 RESTRICTIONS

Invitational travel at Government expense shall not be authorized for:

1. nonappropriated fund officials or employees traveling on nonappropriated fund business;
2. contractor employees (except as provided in par. C6004);
3. dependents and/or movement of HHG or other property of individuals for whom invitational travel orders are issued;
4. (a) Federal Government employees or (b) members of the Uniformed Services, excluding retired persons (Federal employees and Uniformed members on active duty are given regular TDY orders unless authorized preemployment interview travel under par. C6200 and employee/member is in a leave status during such travel (B-219046, September 29, 1986)). An employee/uniformed member may be included on an ITO issued to a patient when traveling as a non-medical attendant.

C6002 ALLOWANCE EXPENSES

A. General. An ITO provides for travel and transportation of an individual from place of business or home to place where services are required and returned to point of origin.

B. Transportation Modes. Authorization of transportation modes, routing, and accommodations should be consistent with the provisions in Chapter 2 as appropriate to mission requirements.

C. Ship Sponsors. Travel expenses incurred by ship sponsors are included as expenses of launching ceremonies which are borne by the building shipyard as part of the construction costs as provided in the instructions contained in the Navy Comptroller Manual, par. 035384.

D. Persons Not in Government Employ Traveling incident to being called as a Witness at a Military Court-Martial. A person not in the Government employ, when called as a witness before a military court-martial (except those called to testify as a witness at a pretrial investigation conducted under Article 32, Uniform Code of Military Justice, 10 U.S.C. §832; see par. C6000, item 11), is entitled to travel and transportation allowances in accordance with Service administrative regulations.

E. Participants in Annual National Matches Sponsored by the National Board for the Promotion of Rifle Practice Under 10 U.S.C. §4312. Title 10 U.S.C. §4312 authorizes payment of a mileage allowance to civilian competitors while traveling to and from national matches. The mileage allowance for the return trip may be paid in advance. Provisions for payment of the travel allowances are prescribed in AR 920-30. The ITOs also may authorize a subsistence allowance for the duration of the competition. The rate of the allowances is set by the director for civilian marksmanship and stated in the ITO issued to each competitor.

F. Attendance at an Award Ceremony. Reimbursement for travel and transportation expenses ordinarily may be allowed for one individual to attend a major award ceremony (for example, a Presidential award ceremony, an annual award ceremony of the agency or major organizational component, or a prestigious honorary award ceremony sponsored by a non-Federal organization) provided:

1. the travel and transportation is authorized by the head of the DOD component concerned or designee; and,
2. the individual is a person of the award recipient's choosing who is related by blood or affinity or whose close association with the award winner is the equivalent of a family relationship.

The reimbursement authorized in this paragraph is intended to cover instances in which the award winner and guest are geographically distant from the site of the ceremony, rather than in instances in which the award winner's residence is in the same area as the ceremony. (For example, if the award winner and spouse live in Denver, CO, and the ceremony is in Washington, DC, travel may be authorized for both the winner and the spouse.) Reimbursement under this paragraph also may be authorized if the guest must travel from a location geographically distant from the site of the ceremony but different from the location of the award winner. At the discretion of the DOD component concerned, reimbursement for travel and transportation expenses may be allowed for more than one individual to attend an award ceremony when the award winner requires assistance because of a handicapping condition. Reimbursement for transportation is limited to direct travel to and from the location of the ceremony (including travel between common carrier terminals and hotel where applicable and the site of the ceremony). Per diem is allowed for direct travel to and from the location of the award ceremony and for the day of the ceremony.

G. Travel of DOD Dependents Schools (DODDS) Students for Academic Competitions and Co-curricular Activities. DODDS statutory charter, codified at 20 U.S.C. § 921-932, authorizes travel at Government expense for DODDS students to academic competitions and co-curricular activities. ITOs (citing DODDS appropriations) are used to authorize transportation for students in support of curricular or extracurricular activities. Appropriate activities are determined by the Director, DODDS, or designee. Payment of per diem, reimbursement for meals and/or lodging, or incidental expenses ordinarily associated with TDY shall not be authorized.

C6003 INVITATIONAL TRAVEL ORDER

The sample format contained herein may be used as a guide in the preparation of an ITO in all Services. The use of the sample format is not mandatory.

SAMPLE FORMAT OF AN INVITATIONAL TRAVEL ORDER

Name _____ TRAVEL ORDER NUMBER _____

Address _____

DATE APPROVED _____

You are invited to proceed from _____

in sufficient time to arrive at _____ by _____
(Date)

for the purpose of _____

for approximately _____ days. Upon completion, you shall return to the point of origin.

You are authorized to travel by: ☐ Rail ☐ Commercial Air ☐ Military Aircraft ☐ Bus
See below for travel by Privately-Owned Conveyance

- ☐ Transportation has been arranged by the order issuing agent.
- ☐ Transportation tickets are included with this order.
- ☐ Transportation tickets shall be provided at a later date.

☐ To arrange transportation call: (____)_____

☐ You may arrange your transportation. The following rules apply:

You must arrange your transportation with a travel office under contract to the U. S. Government (Commercial Travel Office (CTO)) when the contract with the CTO permits the CTO to arrange transportation for travelers who are not Government employees. If you are in a foreign country, except for Canada and Mexico, you may use a travel office not under contract to the Government if ticketing cannot be secured from a branch office or general agent of an American-flag carrier. If you purchase transportation from a travel office (travel agency) not under contract to the Government, reimbursement is limited to the cost to the Government on a constructive basis for transportation that would have been arranged by a CTO if available. If the contract between the Government and the CTO does not permit the CTO to arrange transportation for contractors/contractor employees or others who are not Government employees, reimbursement for transportation may not exceed coach class air accommodations unless otherwise permitted in JTR, par. C2204-A.

It is DOD policy that in using regularly scheduled air transportation:

- (a) accommodations selected shall be the least costly service that permits satisfactory accomplishment of the mission of the traveler, and
- (b) United States carriers must be used for all commercial foreign air transportation if service provided by those carriers is available; otherwise reimbursement for the cost of transportation is not allowed.

☐ You are authorized to travel by privately-owned automobile as advantageous to the Government. Reimbursement shall be at the rate of \$0.31 cents per mile, plus the cost of necessary parking fees and bridge, ferry, and tolls incurred including per diem while in travel status under this travel order.

☐ You are authorized to travel by privately-owned conveyance (POC) on a constructive basis. You would normally be authorized to travel by common carrier. Reimbursement shall be limited to the cost of travel by the usual mode of common carrier, including per diem.

Receipts: Ticket stubs are required to substantiate your transportation cost. Receipts are required for lodging. Receipts are required for all items of expense in an amount of \$75 or more plus any applicable tax.

☐ You shall be paid a per diem allowance to cover your expenses for lodging (with taxes at locations in CONUS separately), meals, and incidentals. While traveling and performing the mission you shall be authorized a per diem equal to the daily amount you pay for lodging, plus a fixed amount for meals and incidental expenses, not to exceed the applicable maximum amount prescribed on the Per Diem Committee homepage: <http://www.dtic.mil/perdiem> for the locality concerned. If your costs, particularly for lodging, are more than the applicable maximum per diem rate prescribed, then only the maximum per diem rate shall be paid. (See JTR, Chapter 4, Part L for applicable rules)

Applicable Per Diem Rates:

Locality	Maximum Lodging Rate	Meal & Incidental Expense Rate	Total Per Diem

☐ You shall be paid an actual subsistence expense allowance (AEA) for lodging and a per diem for meals and incidentals (M&IE). You are required to itemize your lodging expenses only.

☐ You shall be paid an actual subsistence expense allowance (AEA) for lodging and meals and incidental expenses (M&IE). You must itemize all your subsistence expenses. Subsistence expenses include lodgings; meals; fees and tips to waiters, bellboys, maids, porters; personal laundry, pressing, and dry cleaning (*see NOTE below*); local transportation (including usual tips) between places of lodging, duty, and place meals are taken; and other necessary

expenses. You shall be reimbursed for the actual expenses incurred, but not to exceed the maximum amount authorized for the locality concerned. (See JTR, Chapter 4, Part M for applicable rules)

Actual Subsistence Expense Allowance (AEA) Authorized:

Locality	Maximum AEA Allowance	Amount allowed for Meals & Incidental Expenses if M&IE authorized on a per diem basis.

(Note: The cost you incur during travel (not after returning) for laundry/dry cleaning and pressing of clothing is a separately reimbursable expense in addition to per diem/AEA when travel is within CONUS and requires at least 4 consecutive nights lodging while on Government travel. There is no separate reimbursement for laundry/dry cleaning and pressing of clothing when travel is OCONUS. Those costs are part of the per diem/AEA allowance when travel is OCONUS.)

The JTR is available at <http://www.dtic.mil/perdiem/>. Address any inquiries regarding this travel order to: _____

The travel authorized herein has been determined to be in the public interest, and is chargeable to:

C6004 TRAVEL OF GOVERNMENT CONTRACTORS/CONTRACTOR EMPLOYEES. Travel costs of Government contractors and contractor employees are governed by the rules in the Federal Acquisition Regulations (FAR) § 31-205-46, available at <http://www.arinet.gov/far/pdf/frame.html>. ITOs may **not** be used to authorize travel and transportation for Government contractors/contractor employees. Government contractors and contractor employees are not Government employees and are not eligible under any circumstances for city pair air fares or any travel related items restricted to Government employees. See par. C6005 for availability of contract fares and prices to Government contractors. ***Individuals providing a service under a contract with the Government should be provided a "Contractor Letter of Identification" described in par. C6005-H.***

C6005 AVAILABILITY OF GOVERNMENT TRAVEL AND TRANSPORTATION CONTRACT FARES OR PRICES TO GOVERNMENT CONTRACTORS

Individual contracts or agreements between GSA and vendors determine whether or not contractors are eligible to utilize the travel cost saving programs. ***Contract city pair fares must not be provided to or used by Government contractors or contractor employees.***

A. Contractor(s). Means:

1. Contractors working under a cost reimbursement contract; and
2. Contractors working for the Government at specific sites under special arrangements with the contracting agency, and which are wholly Federally funded (e.g., Government-owned, contractor operated (GOCO), federally funded research and development (FFRDC), or management and operating (M&O) contracts).

B. Contract Air Passenger Transportation Practices. Use of GSA contract air passenger fares is governed by GSA's contracts with the airlines and by the Defense Transportation Regulation (DOD 4500.9-R), Part I, Chapter 103. ***As of October 1, 1998, under GSA's contracts for air passenger transportation services, contractors are not eligible to use GSA's contract city pair fares. ITOs must not be issued for contractors to receive airfares at the***

Government contract city pair fare, nor should contractor travel be issued on Government centrally billed accounts at the Government contract fare. For more information contact:

Services Acquisition Center (FCXB)
Federal Supply Service
General Services Administration
Washington, DC 20406
(703)305-7261

C. Discount Rail Service. AMTRAK voluntarily offers discounts to Federal travelers on official business. These discounted rates may be extended to eligible contractors traveling on official Government business. A contractor-issued letter of identification is required (See subpar. H).

D. Discount Hotel/Motel Practices. Several thousand lodging providers extend discount lodging rates to federal travelers. Many currently extend their discount rates to eligible contractors traveling on official Government business. A contractor-issued letter of identification is required (See subpar. H). For more information contact:

GSA Travel and Transportation (9FBT-1)
450 Golden Gate Avenue, 4th Floor W
San Francisco, CA 94102
(415)522-4671

E. DOD Car Rental Practices. DOD's Military Traffic Management Command negotiates special rate agreements with car rental companies available to all Government employees while traveling on official Government business. Some car rental companies offer these discount rates to eligible Government contractors at the vendor's option, with appropriate identification from the contracting DOD component (See par. H). For more information contact.

Military Traffic Management Command
5661 Columbia Pike
ATTN: MTOP-QE
Falls Church, VA 22041-5050
(703)681-6393
Complaints/Discrepancies/Claims - Chris Braswell (703)681-6292

F. Vendor Requirements. The entity providing the service may require that the Government authorized contractor furnish a letter of identification signed by the authorizing DOD component's contracting officer. Par. H illustrates a standard letter of identification to request eligible Government contractors use of travel and/or transportation discounts negotiated by the Government, where available.

G. DOD Component Responsibilities. DOD components should know which hotels and car rental companies offer Government discount rates to Government contractors and ensure that their authorized contractors know how to obtain this information. This information is provided to and published by several commercial publications including the Official Airline Guides Official Traveler (800) DIAL-OAG, Innovata (800) 846-6742, and National Telecommunications (201) 928-1900. In addition, GSA contract Travel Management Centers (TMCs) and DOD's Commercial Travel Offices (CTOs) have this information.

All DOD components should circulate this information to contracting officers and to Government authorized contractors, where applicable. For more information contact:

Renita Townsend Nowlin
Service Acquisition Center
Service Contracts Division (FCXB)
Crystal Mall #4, Room 506
Washington, DC 20406

(703)305-7640

H. Contractor Letter of Identification. DOD components should furnish Government contractors with the following identification letter, for presentation to AMTRAK, hotel/motel, car rental firms and/or use of DOD facilities (when permitted) upon request. It should be noted, however, that the vendors are under no obligation to extend the discounted Government rates to contractors working on behalf of the Federal Government.

OFFICIAL AGENCY LETTERHEAD

TO: **Participating Vendor**

SUBJECT: **OFFICIAL TRAVEL OF GOVERNMENT CONTRACTORS**

(FULL NAME OF TRAVELER), the bearer of this letter, is an employee of (COMPANY NAME) which has a contract with this agency under Government contract (CONTRACT NUMBER). During the period of the contract (GIVE DATES), **AND ONLY IF THE VENDOR PERMITS**, the named bearer is eligible and authorized to use available travel discount rates in accordance with Government contracts and/or agreements.

Government Contract City Pair fares are not available to Contractors.

SIGNATURE, Title and telephone number of Contracting Officer

C6006 CITY-PAIR PROGRAM

Regulations applicable to the Contract City Pair Program are found in DoD 4500.9-R, Part I, Chapter 103, pars. A2 and E. Following is an edited extract from that regulation.

A. POLICY

2. GSA airlift contracted through the Contract City Pair Program shall be used for Government employees. EXCEPTION TO THE USE OF CONTRACT CARRIERS: One or more of the following travel conditions which must be certified on the travel order, travel voucher, or other document provided by the traveler or agency-approved authorizing official, must apply if a non-contract carrier or a contract carrier other than the primary contractor is used for travel within a contract route. Those conditions are as follows:

- a. Space or scheduled flights are not available in time to accomplish the purpose of travel, or use of contract service would require the traveler to incur unnecessary overnight lodging costs which would increase the total cost of the trip; or
- b. The contractor's flight schedule is inconsistent with explicit policies of individual federal departments and agencies to schedule travel during normal working hours; or
- c. A non-contract (DOD approved) carrier offers a lower fare available to the general public, the use of which results in a lower total trip cost to the Government, to include the combined costs of transportation, lodging, meals, and related expenses. ***NOTE: This exception does not apply if the contract carrier offers a comparable fare and has seats available at that fare, or if the lower fare offered by a noncontract carrier is restricted to Government and military travelers on official business and only may be purchased with a Government procurement document (e.g., a GTR), contractor issued charge cards, or centrally billed account.***
- d. Rail service is available and that service is cost effective and consistent with mission requirements.
- e. Smoking is permitted on the contract carrier flight and the nonsmoking section of the aircraft for the contract flight is not acceptable to the traveler.
- f. A through fare, special fare, commutation fare, excursion fare or reduced-rate roundtrip fare is available and;
 - (1) the agency determines prior to the employee's travel that this type of service is practical and economical to the Government; and
 - (2) in case of a fare that is restricted or has specific eligibility requirements, it is known or can reasonably be anticipated, based on the travel as planned, that the ticket will be used.

E. SCHEDULED AIR CARRIERS

- 1. Contract air service between city pairs shall be used for all domestic travel, and for international travel when AMC Category B is not available or does not meet the mission requirement.
- 2. Cost reimbursable contractor personnel in possession of invitational travel orders are prohibited from using Government discount fares (including Contract City Pairs fares) when purchasing commercial airline tickets

NOTE: See JTR, par. C2001-A2c for policy regarding use of Rail or Bus service.

Frequently asked questions about using Contract City Pair Program

1. What if I can find a cheaper fare? Can I use it?

Answer: Yes, under certain conditions. An exception to the city pair contract allows the use of lower fares offered by non-contract carriers, provided the fares are available to the general public, i.e., not restricted to Government travel. Once a contract is awarded, many non-contract carriers offer matching or lower fares (e.g., DG) in an attempt to increase their share of business in the market. If travelers routinely use these matching fares as a first choice, without considering the contract carrier, the integrity of the entire program suffers. Carriers may choose not to participate in future contracts; thereby causing a loss of program benefits and creating possible higher fares for all.

2. How come I never get nonstop service from my area? I always must use a connecting flight to my destination. My time should be factored into the costs.

Answer: Reasons for connecting service vary, but most commonly it is a matter of no offer, or an extremely high priced offer from a carrier with nonstop service. This program relies on carriers submitting offers of service in a given market. If nonstop service does not exist or the carriers choose not to offer it, there is little the Government can do. During the evaluation process, offers are compared to fares available in the market to determine if it is a "smart buy" to make the award. It does not make much sense to contract for a fare that is the same or higher than what is already available in the market. As to your time, it is factored into the evaluation of offers. The evaluation process is a "greatest value concept" using price and technical trade offs to reach the best award. Items such as service, flight distribution, elapsed flying time, and number of available flights are considered. Contract-award criteria place greater emphasis on quality service than on price.

3. My area has 3 airports, but fares vary between each of them and certain destinations. Why?

Answer: GSA solicits CONUS markets by airport to allow the Government traveler a choice of airports and to provide more options in flight scheduling. One reason fares vary is that a carrier may serve one airport, but not others. Also, competition among numerous carriers serving the same airport often produces lower fares to and from that particular airport, and in some instances, the participation of a recognized "low price" carrier in a market can have a dramatic impact on available fares.

4. Our organization has a lot of Cost Reimbursable Contractors (CRCs). Why can't they use the Government contract fares?

Answer: Under the terms of the GSA contract, Government contractors are not eligible for city pair fares under any circumstances.

Exceptions to the Required Use of Contract Carriers

One or more of the following travel conditions, which must be certified on the travel order or travel voucher by an agency-approved authorizing official, must apply if a carrier other than the contract carrier is used for travel with a contract route.

- 1.** Space or scheduled flights is not available in time to accomplish the purpose of travel, or use of contract service would require the traveler to incur unnecessary overnight lodging costs, which would increase the total cost of the trip.
- 2.** The contract air carrier's flight schedule is inconsistent with explicit policies of individual Federal department and agencies or mandatory users of scheduled travel during normal working hours.
- 3.** A noncontract (DOD approved) carrier offers a lower fare available to the general public, the use of which results in a lower total trip cost to the Government or other mandatory user to include the combined cost of transportation, lodging, meals, and related expenses. This exception does not apply if the contract carrier offers a comparable fare

and has seats available at that fare, or if the lower fare offered by a noncontract carrier is restricted to Government and military travelers on official business and may only be purchased with a Government procurement document (e.g., a GTR), contractor issued charge card, or centrally billed account.

4. Rail service is available and such service is cost effective and consistent with mission requirements.

5. Smoking is permitted on the contract flight and the nonsmoking section of the aircraft for the contract flight is not acceptable to the traveler.

6. A through fare, special fare, commutation fare, excursion fare or reduced-rate roundtrip fare is available and;

(1) the agency determines prior to the employee's travel that this type of service is practical and economical to the Government; and

(2) in case of a fare that is restricted or has specific eligibility requirements, it is known or can reasonably be anticipated, based on the travel as planned, that the ticket is to be used.

FEDERAL ACQUISITION REGULATIONS APPLICABLE TO GOVERNMENT CONTRACTORS

31.205-46 Travel costs.

(a) Costs for transportation, lodging, meals, and incidental expenses

(1) Costs incurred by contractor personnel on official company business are allowable, subject to the limitations contained in this subsection. Costs for transportation may be based on mileage rates, actual costs incurred, or on a combination thereof, provided the method used results in a reasonable charge. Costs for lodging, meals, and incidental expenses may be based on per diem, actual expenses, or a combination thereof, provided the method used results in a reasonable charge.

(2) Except as provided in subparagraph (a)(3) of this subsection, costs incurred for lodging, meals, and incidental expenses (as defined in the regulations cited in (a)(2)(i) through (iii) of this subparagraph) shall be considered to be reasonable and allowable only to the extent that they do not exceed on a daily basis the maximum per diem rates in effect at the time of travel as set forth in the--

(i) Federal Travel Regulations, prescribed by the General Services Administration, for travel in CONUS, available on a subscription basis from the:

Superintendent of Documents
U.S. Government Printing Office
Washington, DC 20402
Stock No. 922-002-00000-2

(ii) Joint Travel Regulation, Volume 2, DoD Civilian Personnel, Appendix A, prescribed by the Department of Defense, for travel in Alaska, Hawaii, The Commonwealth of Puerto Rico, and territories and possessions of the United States, available on a subscription basis from the--

Superintendent of Documents
U.S. Government Printing Office
Washington, DC 20402
Stock No. 908-010-00000-1; or

(iii) Standardized Regulations (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances for Foreign Areas," prescribed by the Department of State, for travel in areas not covered in (a)(2)(i) and (ii) of this subparagraph, available on a subscription basis from the--

Superintendent of Documents
U.S. Government Printing Office
Washington, DC 20402
Stock No. 744-008-00000-0

(3) In special or unusual situations, actual costs in excess of the above-referenced maximum per diem rates are allowable provided that such amounts do not exceed the higher amounts authorized for Federal civilian employees as permitted in the regulations referenced in (a)(2)(i), (ii), or (iii) of this subsection. For such higher amounts to be allowable, all of the following conditions must be met:

(i) One of the conditions warranting approval of the actual expense method, as set forth in the regulations referenced in paragraphs (a)(2)(i), (ii), or (iii) of this subsection, must exist.

(ii) A written justification for use of the higher amounts must be approved by an officer of the contractor's organization or designee to ensure that the authority is properly administered and controlled to prevent abuse.

(iii) If it becomes necessary to exercise the authority to use the higher actual expense method repetitively or on a continuing basis in a particular area, the contractor must obtain advance approval from the contracting officer.

(iv) Documentation to support actual costs incurred shall be in accordance with the contractor's established practices, subject to paragraph (a)(7) of this subsection, and provided that a receipt is required for each expenditure of \$75.00 or more. The approved justification required by paragraph (a)(3)(ii) and, if applicable, paragraph (a)(3)(iii) of this subsection must be retained.

(4) Subparagraphs (a)(2) and (a)(3) of this subsection do not incorporate the regulations cited in subdivisions (a)(2)(i), (ii), and (iii) of this subsection in their entirety. Only the maximum per diem rates, the definitions of lodging, meals, and incidental expenses, and the regulatory coverage dealing with special or unusual situations are incorporated herein.

(5) An advance agreement (see 31.109) with respect to compliance with subparagraphs (a)(2) and (a)(3) of this subsection may be useful and desirable.

(6) The maximum per diem rates referenced in subparagraph (a)(2) of this subsection generally would not constitute a reasonable daily charge--

(i) When no lodging costs are incurred; and/or

(ii) On partial travel days (*e.g.*, day of departure and return).

Appropriate downward adjustments from the maximum per diem rates would normally be required under these circumstances. While these adjustments need not be calculated in accordance with the Federal Travel Regulation or Joint Travel Regulations, they must result in a reasonable charge.

(7) Costs shall be allowable only if the following information is documented--

(i) Date and place (city, town, or other similar designation) of the expenses;

(ii) Purpose of the trip; and

(iii) Name of person on trip and that person's title or relationship to the contractor.

(b) Travel costs incurred in the normal course of overall administration of the business are allowable and shall be treated as indirect costs.

(c) Travel costs directly attributable to specific contract performance are allowable and may be charged to the contract under 31.202.

(d) Airfare costs in excess of the lowest customary standard, coach, or equivalent airfare offered during normal business hours are unallowable except when such accommodations require circuitous routing, require travel during unreasonable hours, excessively prolong travel, result in increased cost that would offset transportation savings, are not reasonably adequate for the physical or medical needs of the traveler, or are not reasonably available to meet mission requirements. However, in order for airfare costs in excess of the above standard airfare to be allowable, the applicable condition(s) set forth above must be documented and justified.

(e)(1) "Cost of travel by contractor-owned, -leased, or -chartered aircraft," as used in this paragraph, includes the cost of lease, charter, operation (including personnel), maintenance, depreciation, insurance, and other related costs.

(2) The costs of travel by contractor-owned, -leased, or -chartered aircraft are limited to the standard airfare described in paragraph (d) of this subsection for the flight destination unless travel by such aircraft is specifically

required by contract specification, term, or condition, or a higher amount is approved by the contracting officer. A higher amount may be agreed to when one or more of the circumstances for justifying higher than standard airfare listed in paragraph (d) of this subsection are applicable, or when an advance agreement under subparagraph (e)(3) of this subsection has been executed. In all cases, travel by contractor-owned, -leased, or -chartered aircraft must be fully documented and justified. For each contractor-owned, -leased, or -chartered aircraft used for any business purpose which is charged or allocated, directly or indirectly, to a Government contract, the contractor must maintain and make available manifest/logs for all flights on such company aircraft. As a minimum, the manifest/log shall indicate--

(i) Date, time, and points of departure;

(ii) Destination, date, and time of arrival;

(iii) Name of each passenger and relationship to the contractor;

(iv) Authorization for trip; and

(v) Purpose of trip.

(3) Where an advance agreement is proposed (see 31.109), consideration may be given to the following:

(i) Whether scheduled commercial airlines or other suitable, less costly, travel facilities are available at reasonable times, with reasonable frequency, and serve the required destinations conveniently.

(ii) Whether increased flexibility in scheduling results in time savings and more effective use of personnel that would outweigh additional travel costs.

(f) Costs of contractor-owned or -leased automobiles, as used in this paragraph, include the costs of lease, operation (including personnel), maintenance, depreciation, insurance, etc. These costs are allowable, if reasonable, to the extent that the automobiles are used for company business. That portion of the cost of company-furnished automobiles that relates to personal use by employees (including transportation to and from work) is compensation for personal services and is unallowable as stated in 31.205-6(m)(2).